

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN JOE MCKENNEY**, on January 10, 2001 at 8:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Joe McKenney, Chairman (R)
Rep. Rod Bitney, Vice Chairman (R)
Rep. Gary Matthews, Vice Chairman (D)
Rep. Sylvia Bookout-Reinicke (R)
Rep. Roy Brown (R)
Rep. Nancy Fritz (D)
Rep. Dave Gallik (D)
Rep. Kathleen Galvin-Halcro (D)
Rep. Dennis Himmelberger (R)
Rep. Carol C. Juneau (D)
Rep. Jim Keane (D)
Rep. Rick Laible (R)
Rep. Bob Lawson (R)
Rep. John Musgrove (D)
Rep. William Price (R)
Rep. Allen Rome (R)
Rep. Donald Steinbeisser (R)
Rep. Brett Tramelli (D)
Rep. James Whitaker (R)

Members Excused: None.

Members Absent: None.

Staff Present: Gordon Higgins, Legislative Branch
Jane Nofsinger, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB98, HB141, HB155, HB51,
1/10/2001

Executive Action: HB84, HB141

HEARING ON HB 141

Sponsor: Rep. Roger Somerville, HD1, Kalispell

Proponents: Steve Street, Montana Mint Growers Association
Ralph Peck, Department of Agriculture

Opponents: None

Opening Statement by Sponsor:

REP. SOMERVILLE said this was a simplification bill designed to place the assessment fee on the first purchase of the mint oil and to reduce the fee and paperwork. The fee is now \$50 each year and the Montana Mint Growers Board wants the fee to be \$20 for 10 years. The fee is used to track the purchasers of mint oil (approximately four mint buyers who are out-of-state).

EXHIBIT (buh07a01)

Proponents Testimony:

Steve Street said the Montana Mint Growers Association voted unanimously at their November meeting to recommend this law be changed. Paying once every 10 years makes the fee payment simpler he said. He noted a 55 gallon barrel of mint oil now sells for \$4000 and it used to sell for \$6000 but the market is depressed. Mint oil purchasers typically buy 30-50 barrels at a time. The purpose of the fee is merely to track who is purchasing the mint oil. At the time of the purchase eight cents a pound is deducted from the check. The fee is collected by Mint Board and used to run the board.

Ralph Peck said his department supports the bill and has worked with the Mint Board in presenting the bill.

Opponents: None

Questions from the Committee and Their Responses:

REP. BITNEY asked **Mr. Peck** how the fee originated. **Mr. Peck** said the fee was for the board's funding to develop, enhance and track purchases.

REP. BOOKOUT-REINICKE asked **Mr. Street** how long it took to get oil after harvest. **Mr. Street** said the mint was in windrows for 5 days after cutting. Then it was chopped and put in the mint tubs for two hours. Next it was steamed out the top and through the still the oil flowed into a drum. He said 40 acres a day could be processed with an eight bay still.

Closing by Sponsor:

REP. SOMERVILLE urged the committee to support the bill.

{Tape : 1; Side : A; Approx. Time Counter : 15.9}

HEARING ON HB 51

Sponsor: REP. TOM FACEY, HD 67, Missoula

Proponents: Sue Spanky, self

Judy Smith, neighbor of Sue Spanky

Patty Keebler, Montana AFL-CIO

Ami Davis, self

Rosalie Carter, self

Opponents: None

Opening by Sponsor:

REP. TOM FACEY, HD67, Missoula said this bill will remove the sunset clause and will make the change permanent regarding the partial payment to self-employed persons from workers' compensation benefits when the worker is employed in second job.

REP. FACEY presented two scenarios to the committee to show the need for these legislation. **EXHIBIT** (buh07a02)

{Tape : 1; Side : A; Approx. Time Counter : 25}

Proponents Testimony: Ms. Spanky said she owned a small business and was also an employee. She said employees for two years had received this protection under the law and not to let the bill sunset. Passing this bill would help all people she said.

{Tape : 1; Side : A; Approx. Time Counter : 28.1}

Ms. Smith told the committee many self-employed people supplement their income with a second job to stabilize their income.

{Tape : 1; Side : B; Approx. Time Counter : 28.1}

Ms. Davis and Ms. Cates each submitted written testimony.

EXHIBIT (buh07a03) **EXHIBIT** (buh07a04)

Ms. Keebler said this was a good change by the last legislature in which workers are no longer penalized for having self-employment. She said it levels the playing field, and hoped Montana could be a worker-friendly state as well as business-friendly. **EXHIBIT** (buh07a05)

Opponents: None

Questions from the Committee and Their Responses:

REP. BOOKOUT-REINICKE asked REP. FACEY to go over the State Unemployment Insurance Fund figures. REP. FACEY said last year there was \$150 million in the fund and this year there was \$175 million which was about what they were required to have to

anticipate massive layoffs. **REP. FACEY** pointed out unemployment insurance was paid by the employer not the employee.

Closing by Sponsor:

REP. FACEY asked the committee to pass the bill.

HEARING ON HB 98

{Tape : 1; Side : B; Approx. Time Counter : 4.9}

Sponsor: **REP. DAVE LEWIS, HD55, Helena**

Proponents: **Mary Lou Garrett, Chiropractic Legal Panel**

Opponents: **None**

Opening by Sponsor:

REP. DAVE LEWIS, HD 55, Helena, said the bill was given to him by another legislator on behalf of the Chiropractic Legal Panel. He said each chiropractor is assessed a \$50 fee which goes to the Legal Panel to review malpractice charges. The Legal Panel wants to remove the fund from the state and handle their own account. The fund runs \$12,000-15,000 a year. There was no fiscal impact he said other than the transfer of the panel's own funds.

Proponents Testimony:

Mary Lou Garrett said she had only had 3-4 claims during the past six years. She also stated the medical doctors operate their fund on their own and the Chiropractic Legal Panel is not an agency of the state.

Opponents: **None**

Questions from the Committee and Their Responses:

REP. GALVIN-HALCRO asked **REP. LEWIS** to clarify what the medical legal panel is and does. **REP. LEWIS** said the medical doctors assess themselves as do the chiropractors. They review and determine malpractice and if there are damages, however, they do not award damages. **REP. LEWIS** noted this is not a state agency.

REP. LAIBLE asked **Ms. Garrett** if these funds actually belonged to her panel and replied yes they did.

REP. GALLIK asked **Ms. Garrett** what would happen if there were a lot of claims all at once even if there had not been many. **Ms. Garrett** replied the chiropractors are assessed according to the need and the director had the authority to raise the assessment of fees as necessary.

REP. HIMMELBERGER asked **REP. LEWIS** if there had been input from the chiropractors and he said **Ms. Garrett** represented them.

Opponents: None

Closing by Sponsor:

REP. LEWIS urged the committee to pass the bill and said he would check to see if an amendment was needed.

{Tape : 1; Side : B; Approx. Time Counter : 18}

HEARING ON HB 155

Sponsor: **REP. MARK NOENNIG,, HD9, Billings**

Proponents: **Warren Sobel, Montana Land Title Assn.**
Bill Gowen, Helena Abstract and Title Co.
Page Dringman, Montana Assn. Of Realtors
Bill Leary, Montana Bankers Assn.

Opening by Sponsor:

REP. MARK NOENNIG, HD9, Billings said the bill was requested by the Montana Land Title Assn. He said the procedure when purchasing a residence was to sign a trust indenture which then becomes a lien against the property. When the lien is paid off the title company has the duty to release the title within 90 days. Paper backlogs can create for up to six months. This bill increases the late penalty from \$100 to \$500 to give more incentive to get the job done quickly. The bill would also increase acreage division size from 30 to 40 which is a more logical division of 1/4 of 1/4 section. Unless this division size is increased the type of instrument used would have to be a mortgage not a trust indenture. The bill also repeals the code section wherein the homeowner acknowledges they are giving up their homestead right through an additional document they sign. He said there was no practical effect of this document and it created extra paperwork.

{Tape : 2; Side : A; Approx. Time Counter : 0}

Proponents Testimony:

Warren Sobel said the acreage division was being changed to 40 acres because purchasers with more than 30 acres were being required to get a survey in order to get a loan and this added cost to the purchase. He said the additional legal description was for mortgage purposes only.

{Tape : 2; Side : A; Approx. Time Counter : 3.4}

Mr. Sobel said Section 5 was a repealer section and it did not protect the purchaser against foreclosure on a lien. The statute to be repealed said that the purchaser knew he or she would not be protected and they were just acknowledging what the law was. He said it does not take away the homesteader exemption, but merely acknowledges it.

{Tape : 2; Side : A; Approx. Time Counter : 7.3}

Bill Gowen said the increase of the fine from \$100 to \$500 will give more incentive to getting releases of titles from national lenders and secondary markets.

{Tape : 2; Side : A; Approx. Time Counter : 12}

Page Dringman asked the committee to support the bill.

Bill Leary asked the committee to support the bill.

Questions from the Committee and Their Responses:

REP. GALLIK asked **REP. NOENNIG** if Section 5 was repealed where would the acknowledgment be. **REP. NOENNIG** stated waiver was typically in the conveyance instrument.

{Tape : 2; Side : A; Approx. Time Counter : 21.4}

Closing by Sponsor:

REP. NOENNIG said the purpose of the amendment was to facilitate lending, it was not prejudicial and was a good bill.

{Tape : 2; Side : A; Approx. Time Counter : 23.6}

EXECUTIVE ACTION ON HB71

REP. GALLIK moved **HB71 DO PASS AS AMENDED**. Motion carried unanimously. 19-0.

{Tape : 2; Side : B; Approx. Time Counter : 0}

EXECUTIVE ACTION ON HB84

Motion/Vote: REP. GALVIN-HALCRO moved that HB84 DO PASS AS AMENDED. Motion carried 10-9 with Bitney, Brown, Himmelberger, Laible, McKenney, Price, Rome, Steinbeisser, and Whitaker voting no.

{Tape : 2; Side : B; Approx. Time Counter : 18.2}

HEARING ACTION ON HB141

REP. LAWSON moved DO PASS. Motion carried unanimously. 19-0.

ADJOURNMENT

Adjournment: 10:25 A.M.

REP. JOE MCKENNEY, Chairman

JANE NOFSINGER, Secretary

EXHIBIT (buh07aad)